

AN ORDINANCE

08-O-0426

BY CITY UTILITIES COMMITTEE

AN ORDINANCE TO CREATE CHAPTER 154, SECTION 121 (DROUGHT SURCHARGE ESTABLISHED) AND CHAPTER 154, SECTION 279 (DROUGHT SURCHARGE ESTABLISHED) IN THE CODE OF ORDINANCES, CITY OF ATLANTA, TO ESTABLISH NEW DROUGHT SURCHARGES FOR THE CITY OF ATLANTA'S WATER AND WASTEWATER SYSTEMS; AND FOR OTHER PURPOSES.

WHEREAS, the City of Atlanta ("City"), pursuant to its charter, has the responsibility of providing water and sewer service to its residents and customers; and

WHEREAS, since 2006, northern Georgia has been experiencing a drought that has significantly worsened in recent months due to extremely low levels of rainfall; and

WHEREAS, by the end of 2007, water flows in rivers, lakes and streams in north Georgia and water levels in Lake Lanier were at or near record lows according the U.S. Army Corp of Engineers;

WHEREAS, on September 28, 2007, the Director of the Environmental Protection Division, Department of Natural Resources, State of Georgia Declared Drought Response Level Four water use restrictions for the northern third of Georgia; and

WHEREAS, on October 20, 2007, the State of Georgia declared a state of emergency in 85 counties in Georgia due to the historic drought; and

WHEREAS, due to the recent drought, the State of Georgia mandated that holders of withdrawal permits and public water supply systems with operating permits in the counties subject to Declared Drought Response Level Four water use restrictions, including the City of Atlanta, be required to reduce water withdrawals/production by ten percent (10%) compared to water withdrawals/production during winter 2006, beginning November 1, 2007, and to reduce water withdrawals/production by ten percent (10%) compared to water withdrawals/production during summer 2007, beginning April 1, 2008; and

WHEREAS, the State of Georgia predicts that historic and exceptional drought conditions will persist through at least the summer of 2008; and

WHEREAS, while water use restrictions and increased conservation are necessary as drought conditions persist, they also result in a significant loss of water and sewer revenue from user fees that is necessary for the purpose of supporting the effective operation, management, and improvement of the City's water and sewer systems, to meet the financial obligations of the City, and to provide for the public health, safety and welfare of the City's residents and water and sewer customers; and

WHEREAS, it is in the best interests of the City to recover lost revenue and prevent further drought-related loss of revenue by imposing a surcharge that is triggered by the State's implementation of Declared Drought Response Level Four water use restrictions for the purpose of supporting the effective operation, management, and improvement of the City's water and sewer systems, to meet the financial obligations of the City, and to provide for the public health, safety and welfare of the City's residents and water and sewer customers; and

WHEREAS, it is in the best interests of the City to begin charging the aforementioned surcharge as soon as possible.

THE CITY COUNCIL OF THE CITY OF ATLANTA, GEORGIA, HEREBY ORDAINS, as follows:

SECTION 1: That a new Section 154-121 entitled Drought Surcharge Established be added to read as follows:

(a) Established. That the imposition of a surcharge shall be placed on all domestic, commercial, industrial and other users of the City of Atlanta Water System to pay for the cost to implement water conservation measures and to recover lost revenue as a result of drought, water shortages, or potential water shortages.

(b) Name. That for purpose of this section, the surcharge will be described as the "water system drought surcharge."

(c) Surcharge. That the water system drought surcharge shall be an additional 15% of the water rate imposed for usage provided however, that if the City fixes a tiered water rate, the water system drought surcharge shall be an additional 15% of the water rates imposed at each tier of usage except for the lowest tier of usage which shall not be subject to the surcharge imposed by this Code section..

(d) When Effective. The water system drought surcharge shall initially be imposed on the first day of the first month after this ordinance becomes law. The water system drought surcharge shall remain in effect until the first day of the fourth month following the termination of Declared Drought Response Level 4 by the Director of the Environmental Protection Division, Department of Natural Resources, State of Georgia applicable to all areas served by the City of Atlanta Water System. After the initial term, the water system drought surcharge shall be imposed on the first day of the first month following the declaration of Declared Drought Response Level 4 by the Director of the Environmental Protection Division, Department of Natural Resources, State of Georgia in any portion of the City of Atlanta Water System service area and shall remain in effect until the first day of the first month following the termination of Declared Drought Response Level 4 by the Director of the Environmental Protection Division, Department of Natural Resources, State of Georgia in all portions of the City of Atlanta's Water System service area.

SECTION 2: That a new Section 154-279 entitled Drought Surcharge Established be added to read as follows:

(a) Established. That the imposition of a surcharge shall be placed on all domestic, commercial, industrial and other users of the City of Atlanta Wastewater System to pay for the cost to implement water conservation measures and to recover lost revenue as a result of drought, water shortages, or potential water shortages.

(b) Name. That for purpose of this section, the surcharge will be described as the "wastewater system drought surcharge."

(c) Surcharge. That the wastewater system drought surcharge shall be an additional 15% of the wastewater rates imposed for usage provided however, if the City fixes a tiered wastewater rate, the wastewater system drought surcharge shall be an additional 15% of the wastewater rates imposed at each tier of usage except for the lowest tier of usage which shall not be subject to the surcharge imposed by this Code section..

(d) When Effective. The wastewater system drought surcharge shall initially be imposed on the first day of the first month after this ordinance becomes law. The wastewater system drought surcharge shall remain in effect until the first day of the fourth month following the termination of Declared Drought Response Level 4 by the Director of the Environmental Protection Division, Department of Natural Resources, State of Georgia applicable to all areas of the City of Atlanta's Wastewater System. After the initial term, the wastewater system drought surcharge shall be imposed on the first day of the first month following the declaration of Declared Drought Response Level 4 by the Director of the Environmental Protection Division, Department of Natural Resources, State of Georgia applicable to any area of the City of Atlanta's Wastewater System service area and shall remain in effect until the first day of the first month following the termination of Declared Drought Response Level 4 by the Director of the Environmental Protection Division, Department of Natural Resources, State of Georgia in all portions of the City of Atlanta's Wastewater system service area.

SECTION 3: If any provision, clause, sentence or paragraph of this ordinance, or the application thereof to any person or circumstances, shall be held invalid, such invalidity shall not affect the other provisions or application of the provisions of this ordinance which can be given effect without the invalid provisions or application and, to this end, the provisions of this ordinance are hereby declared to be severable.

SECTION 4: That all ordinances or parts of ordinances in conflict herewith are hereby waived to the extent of the conflict.

TRANSMITTAL FORM FOR LEGISLATION

TO: MAYOR'S OFFICE

ATTN: GREG PRIDGEON

Dept.'s Legislative Liaison: _____ Maisha L. Wood _____

Contact Number: _____ (404) 330-6887 _____

Originating Department: _____ Department of Watershed Management _____

Committee(s) of Purview: _____ City Utilities _____

Chief of Staff Deadline: _____ February 15, 2008 _____

Anticipated Committee Meeting Date(s): _____ February 26, 2008 _____

Anticipated Full Council Date: _____ March 3, 2008 _____

Legislative Counsel's Signature: Theresa Stewart

Commissioner Signature: Robert G. Hunter

Chief Procurement Officer Signature: _____

CAPTION

AN ORDINANCE TO CREATE CHAPTER 154, SECTION 121 (DROUGHT SURCHARGE ESTABLISHED) AND CHAPTER 154, SECTION 279 (DROUGHT SURCHARGE ESTABLISHED) IN THE CODE OF ORDINANCES, CITY OF ATLANTA, TO ESTABLISH NEW DROUGHT SURCHARGES FOR THE CITY OF ATLANTA WATER AND WASTEWATER SYSTEMS; AND FOR OTHER PURPOSES.

FINANCIAL IMPACT (if any):

Mayor's Staff Only

Received by CPO: _____ Received by LC from CPO: _____
(date) (date)

Received by Mayor's Office: 2.22.08 Reviewed by: [Signature]
(date) (date)

Submitted to Council: _____
(date)